



Mavi Giyim Sanayi ve Ticaret A.Ş.

("Mavi", the "Company" or the "Group")

15 August 2018

Mavi 2018 Q2 Trading Update

Mavi Giyim will announce its first half results covering the period February 1 to July 31, 2018 after market close on September 11. The earnings call regarding the results will take place on the next day, September 12, at 4 pm IST with Mavi CEO Cuneyt Yavuz and CFO Tuba Yilmaz.

Given the current developments in Turkey, today Mavi is issuing a trading update for the second quarter ahead of half year results, along with an outlook for the second half of the year.

Throughout the challenging environment in the Turkish market in the first half of 2018, Mavi has continued to deliver strong sales growth across all retail, wholesale and online channels in Turkey. Mavi's performance has remained resilient with strong brand recognition leading to continued new customer acquisition and increased spending.

Cumulative like-for-like sales growth for the six months from Feb 1 to July 31, 2018 was 20.9%, including an exceptionally strong sales performance in the second quarter of 21.0% like-for-like growth. Continued growth in like-for-like sales was achieved through high customer traffic coupled with improved conversion rates resulting in a 13.3% increase in the number transactions and a 6.7% increase in basket size.

As part of its strategic focus on volume growth and market share gains the management of Mavi aims to acquire over a million new customers every year. Mavi is currently ahead of this target with 620K new customers acquired in the first six months. Moreover, the number of Kartuş loyalty card holders has reached 6.9 million at the end of July.

Mavi started the Fall-Winter 2018 season (August 2018 to Jan 2019) with fresh inventory and with record high sell-through rates. Following the strong sales momentum in July with like-for-like growth of 28.3%, the first 14 days of August are tracking strongly with a continuing increase in customer traffic and sales transactions.

In Turkey, Mavi opened a net 7 retail stores in the first half of 2018 and currently serves its customers from 294 owned retail stores and 74 franchise stores. As the key operational cost item in hard

currency on its P&L, store rents have been continuously renegotiated with landlords in order to keep the rent/sales KPI within management targets. Going forward, management has decided to enter into TRY or revenue-linked contracts and is revising store opening plans accordingly.

Despite the weakening in TRY and inflationary pressures, Mavi will be able to maintain its gross margin through early booking of manufacturer capacity, product mix initiatives with the right pricing and product planning actions.

Mavi generates 18% of its revenue from international sales, most of which are in hard currency. International sales and margins are expected to benefit from the current currency levels and to have a positive impact on Mavi financials.

The management of Mavi remains confident of delivering its previously shared 2018 guidance of 25% sales growth, including maintaining margins and 16% like-for-like sales growth.

For further information about Mavi, please visit www.mavicompany.com.

*** END ***

Enquiries:

For Investor Relations enquiries, please contact:

Duygu Inceoz +90 549 805 46 82 Duygu.inceoz@mavi.com

For Turkey media enquiries, please contact:

Serpil Berkan +90 532 257 46 20 Serpil.berkan@mavi.com

For international media enquiries, please contact:

Brunswick Group +44 207 404 5959 mavi@brunswickgroup.com

Marie Jensen